



December 30, 2014

Mr. Neil E. Hoobler  
President  
Supreme Manufacturing, Inc.  
327 Billy Boyd Road  
Stoneboro, PA 16153

Dear Neil:

Maxus Capital Group, LLC ("Maxus") is pleased to present this leasing proposal ("Proposal") for the transaction described below.

This Proposal is delivered to you with the understanding that you shall not disclose this Proposal or any of the terms and conditions set forth herein (including those set forth in the term sheet attached hereto) to any person or entity outside of your organization, except for your professional advisors who require such information in order to evaluate the transactions contemplated hereby or for other purposes directly related to such transactions, or where disclosure is required by law.

This Proposal is provided to you for informational and discussion purposes only and does not contain all matters, terms and conditions upon which agreement must be reached in order for the financing contemplated hereby to be consummated; rather, this Proposal is only an outline, in summary format, of major points which may serve as a basis for a more formal structuring of the contemplated financing. This Proposal has not been approved by our credit committee and does not constitute a commitment, or an offer to make a commitment (conditional or otherwise), with respect to any financing facility. The decision to make a commitment and the pertinent terms and conditions thereof are subject to, among other things, Maxus's continuing business, legal and other due diligence and Maxus's satisfaction with the results thereof, and receipt of all requisite internal approvals.

By your acceptance of this Proposal, you agree to pay Maxus on request for all reasonable costs, fees and expenses of Maxus, any of its affiliates or any persons acting on its behalf (including, without limitation, the fees, costs and expenses of counsel and consultants and auditors retained by Maxus and its affiliates, and the travel, lodging and similar expenses, and expenses of Maxus and its affiliates' personnel in inspecting and monitoring collateral) in connection with this Proposal or any of the transactions contemplated hereby, whether before or after the date hereof and whether or not any of the transactions close or are consummated, and Maxus's due diligence in respect thereof, the preparation of any letter evidencing Maxus's commitment to provide funding for any of the transactions contemplated hereby, and the preparation, negotiation, syndication and, if applicable, the execution of definitive legal documents with respect to such transactions and the creation or perfection of liens and security interests in connection therewith.

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LESSOR: Maxus Capital Group, LLC, or its designee or assignee ("Lessor")

LESSEE: Supreme Manufacturing, Inc. ("Lessee")

GUARANTOR: Neil Hoobler, President

EQUIPMENT: Supreme Manufacturing 16 Yard Twin Dredge

ADDITIONAL SECURITY First priority blanket lien on all business assets with the exception of assets associated with existing debt where the lien would be a second position.

INTELLECTUAL PROPERTY Lessee to grant Lessor non-exclusive rights of use and license, without cost to all IP and other proprietary technology related to the 16 Yard Twin Dredge throughout the Lease Term. Upon Lessee's complete satisfaction of its obligations owing Lessor under the Lease, including, without limitation, its payment of the Early Purchase Option Amount, Lessor's license to such IP and other proprietary technology shall expire.

LEASE FACILITY: Up to \$6,000,000 in equipment cost.

Draw down is based on satisfactory draw requests and verification of work performed.

EQUIPMENT LOCATION: Stoneboro, PA and various approved locations.

FUNDING DATE: Interim funding to begin on or before 1/30/15 with final acceptance no latter than 1/30/16.

LEASE TERM: Twelve (12) months

RENT: Rate factor based on 7.5%

Interim Rent will be payable from the date on which Lessee executes the first Certificate of Draw for the equipment and continuing up to the Equipment Acceptance Date, with the Interim Rent amount based upon a daily rental equal to the 1/30th of the monthly equipment rental adjusted on a per draw basis.

Lessor, at Lessee's request, will make advance payments to vendor(s) and/or manufacturer(s) prior to the equipment acceptance date in increments of not less than \$100,000.00. Pro Rata Rent will be payable from the date of the execution of the Certificate of Draw for that equipment for which Lessor makes such advance payments, in an amount equal to 1/30th of the applicable Rental Amount multiplied by the number of days from the date of the execution of the Certificate of Draw to the Equipment Acceptance Date. Pro Rata Rent is due monthly in arrears. After acceptance by Lessee of all Equipment, the Lease matures and all funds advance under the Lease are due.

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**ADJUSTMENT OF RENTAL  
FACTORS:**

The Rental Amount quoted in this Proposal shall be adjusted prior to the Rent Commencement Date in accordance with changes in the weekly average of the One Year Interest Rate Swaps rate, as reported in the Federal Reserve Statistical Release H.15 for the week preceding the week in which the Equipment is accepted for purposes of the Lease as evidenced by the Certificate of Acceptance. If, for the week preceding the week in which the Equipment is accepted, the interest rate on the aforementioned One Year Interest Rate Swaps is greater than .43% (the "Benchmark Rate"), the Rental Amount will be adjusted as follows: for each one one-hundredth of one percent (.01%) variance, all Rental Amounts due pursuant to this paragraph will be increased (in accordance with the variance from the One Year Interest Rate Swaps rate) by an amount specified by Lessor in its approval of this proposed transaction (The "Rental Adjustment Factor").

**ISSUANCE FEE:**

Two percent (2%) of the aggregate Lease Facility.

**NET LEASE:**

This is a net lease transaction under which Lessee pays insurance, maintenance and taxes for the term of the lease. Manufacturer's guarantees or warranties will be passed on to Lessor till Lease maturity. All payments under the lease, including but not limited to rent, will be made via ACH generated by the Lessor.

**EARLY PURCHASE OPTION:**

Provided that no Event of Default shall have occurred and be continuing, Lessee shall be entitled, at the delivery of the dredge components to the customer location, as detailed in the terms of the Purchase Order assigned to Lessor, to purchase all but not less than all of the Equipment covered by the Lease by paying the Early Purchase Option Amount which is equal to all unpaid amounts owed under the lease plus end of term fees and any other amounts due and payable.

**END OF LEASE:**

Lessee must purchase all but not less than all equipment at the than fair market value.

**ASSIGNMENT OF  
PURCHASE ORDER:**

Lessee will assign to Lessor an executed purchase order between Lessee and Sully-Miller Contracting Company ("Customer Order").

**DOCUMENTARY LETTER OF  
CREDIT:**

Customer order will be accompanied by a Documentary Letter of Credit naming Lessor as beneficiary party.

**CONSTRUCTION  
MONITORING::**

Lessee will grant Lessor at Lessee's expense oversight authority of the dredge construction which will be done on a monthly basis and include site visits at both company and sub-contractor locations.

**CASH RESERVE:**

Lessee will maintain a cash reserve account in addition to and outside of any working capital facility. The balance maintained will reflect the amount of a 10% down payment associated to the Customer Order. The account will be assigned in a control account with Lessor as beneficiary. Release will be based upon certain to be determined release provisions.

**COVENANTS:**

Covenants will include cash up flow and out flow restrictions based on minimum fixed charged coverage ratio based on a trailing twelve month calculation. Debt coverage ratios, leverage ratios, EBITDA minimums and other customary covenants for transactions of these types. Covenants will be agreed upon at the issuance of a commitment.

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**EXPENSES:** The cost of due diligence, third party reports, other closing costs and legal counsel to draft, review and close the documentation of the herein described transaction shall be paid by the Lessee.

**PROPOSAL DEPOSIT** Upon acceptance of this proposal Lessee shall pay Lessor a non-interest bearing deposit in the amount of \$30,000.00. The deposit will be applied towards expenses and first payment or returned to Lessee (i) in the event Lessor does not approve the transaction or (ii) upon Lessor's termination of this transaction because of a materially adverse change in the Lessee's financial condition. If this transaction is not fully closed for any other reason, then Lessor shall retain the deposit as liquidated damages. The Proposal Deposit is nonrefundable unless Lessor declines the proposed transaction, in which case the Proposal Deposit will be refunded to Lessee (less any out of pocket expenses incurred with Lessee's consent). Upon Lessor's issuance of a commitment letter with terms consistent with the terms of this proposal, Lessee shall remit an additional deposit in the amount of \$30,000.00 combining for a total non-refundable commitment fee of \$60,000.00.

**COMMITMENT FEE:**

**ACCEPTANCE DATE:** This Proposal will expire if not accepted by Lessee on or before January 7, 2015.

THIS LETTER IS NOT, AND SHALL NOT BE CONSTRUED AS, A COMMITMENT OR AGREEMENT BY LESSOR TO ENTER INTO THE PROPOSED TRANSACTION. Lessor shall be obligated to proceed with this proposed transaction only after full credit review and approval of the terms, conditions and pricing of the transaction by the appropriate credit and executive authorities of Lessor and Lessor's investors, and the issuance by Lessor of its commitment. All pricing is based upon current money market conditions and is subject to change prior to Lessor's issuance of a written commitment. Any commitment so issued will be subject to mutually satisfactory documentation.

Thank you for the opportunity to present this Proposal. If you have any questions, please do not hesitate to call me at 440/519-2424.

Sincerely,

**Maxus Capital Group, LLC**

Chris A. Di Lillo  
Dictator

Supreme Manufacturing, Inc.

Accepted by: Neil E. Hoobler

Printed Name: NEIL E. HOOBLER

Title: PRESIDENT

Date: 1/2/15